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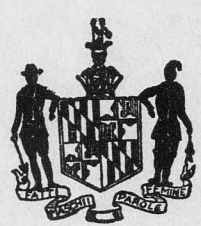
Nineteenth Annual Report

OF THE

Maryland Racing Commission

TO

THE GOVERNOR OF MARYLAND



1938

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NINETEENTH ANNUAL REPORT

OF THE

Maryland Racing Commission

TO

THE GOVERNOR OF MARYLAND



1938

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MARYLAND RACING COMMISSION

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GEORGE R. NORRIS

FRANK SMALL, JR.

STAFF

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NINETEENTH ANNUAL REPORT

OF THE

MARYLAND RACING COMMISSION

TO HIS EXCELLENCY, HARRY W. NICE,
Governor of Maryland.

Not for a number of years has the quality of racing in Maryland been as good as in the fall of the year 1938. Stake races were increased in number, and the stakes in existence over a period of years were augmented in attractiveness by additions to the amount of added money, the increase in the money offered amounting to \$52,825. As a result, the best stables everywhere assembled in Maryland. They came from far-away California, as well as from nearby Virginia and Pennsylvania.

The secondary races, as well as the major ones, filled with horses qualified to run in them. No matter what the classification of the horses may have been, the racing was good.

The camera used in deciding the winner in close contests was more frequently used than ever before. Even with the aid of the camera officials could not always determine the horse that first had his nose at the finish line. Dead heats had to be called. Victories by noses and heads occurred daily. Such finishes increase the pleasure of those who enjoy racing. Unfortunately, conditions in the business world were such that revenue declined, and, as a result, the returns derived by the State were diminished.

Another setback to the State developed when the rain and snow at Bowie, followed by freezing weather, resulted in the track freezing to the depth of five inches. Trainers were unwilling to run their horses over a racing strip in such condition. The Association was compelled to call the meeting off for the remaining period of four days. The Commission returned to the Southern Maryland Agricultural Association, the twenty-four thousand dollars (\$24,000) the Association had paid for the daily license fee, the law authorizing this refund under the conditions that prevailed at Bowie.

The State lost, in addition, other revenues that would have accrued to it, if the meeting had been held as scheduled.

The highlight of the racing year was the special race at Pimlico between "Seabiscuit" and "War Admiral". Attendance on that day was placed at 40,000. Interest in the result was international. That race helped materially in exciting enthusiasm for racing and in giving this State an enviable position in the racing world.

We regret to report that one major scandal developed during the year. One horse was substituted for another, ran for it and won. The Commission and its officials developed all the material facts pertaining to this swindling operation, ruling off the turf those directly involved in it.

In the racing law is a provision that the Maryland Jockey Club of Baltimore City (Pimlico) shall pay to the Commission, for Baltimore County, \$3,000 for each day of racing licensed by the Commission at Pimlico. Since the fall of 1920 until the fall of 1938, this money was collected by the Commission and turned over to the Treasurer of Baltimore County as the law provides. After the spring racing this particular clause of the law was tested in court for the purpose of determining its legality. It was declared illegal. An appeal was taken from this decision. No effort was made to collect the fee in the fall of 1938, after the Maryland Jockey Club of Baltimore City agreed to pay to the Commission this \$3,000 per diem tax in case the Court of Appeals should reverse the decision rendered in this case.

During 1938 one hundred and fifty days of racing with mutuel privileges were licensed by the Maryland Racing Commission—one hundred on the mile tracks and fifty on the half-mile tracks. The Commission believes that the State has reached the saturation point in respect to racing on which betting is permitted.

There is attached hereto an account of the receipts and disbursements of the Commission and an account of the receipts and disbursements of the licensees of the Commission having betting privileges. Also a statement of the receipts and disbursements of the State Fair Board.

Respectfully submitted,

JERVIS SPENCER, JR., *Chairman*
GEORGE R. NORRIS
FRANK SMALL, JR.

STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 1938

COUNTY FAIRS—**RECEIPTS**

Harford County Fair Association, Inc., Bel Air, Md.:	
10 days racing at \$50.00 per day.....	\$ 500.00
1% Tax on money wagered in excess of \$500,000.00.....	4,486.88
5% of Net Revenue.....	None
Unexpended balance of \$5,000.00 allowed by law for premiums.....	None
	\$ 4,986.88
Cumberland Fair Association, Cumberland, Md.:	
10 days racing at \$50.00 per day.....	\$ 500.00
1% Tax on money wagered in excess of \$500,000.00.....	2,891.83
5% of Net Revenue.....	None
Unexpended balance of \$5,000.00 allowed by law for premiums.....	None
	3,391.83
Southern Maryland Agricultural Fair Assoc., Marlboro, Md.:	
10 days racing at \$50.00 per day.....	\$ 500.00
1% Tax on money wagered in excess of \$500,000.00.....	2,763.04
5% of Net Revenue.....	1,890.04
Unexpended balance of \$5,000.00 allowed by law for premiums.....	1,442.50
	6,595.58
Maryland State Fair and Agricultural Society of Baltimore County, Timonium, Md.:	
10 days racing at \$50.00 per day.....	\$ 500.00
1% Tax on money wagered in excess of \$500,000.00.....	3,709.78
5% of Net Revenue.....	None
Unexpended balance of \$5,000.00 allowed by law for premiums.....	None
	4,209.78
Agricultural & Mechanical Association of Washington County, Hagerstown, Md.:	
10 days racing at \$50.00 per day.....	\$ 500.00
1% Tax on money wagered in excess of \$500,000.00.....	543.48
5% of Net Revenue.....	None
Unexpended balance of \$5,000.00 allowed by law for premiums.....	None
	1,043.48
TOTAL RECEIPTS FROM COUNTY FAIRS.....	\$ 20,227.55

ONE-MILE TRACKS—

Harford Agricultural and Breeders' Association, Havre de Grace, Maryland:	
25 days racing at \$6,000.00 per day.....	\$150,000.00
1% Tax on money wagered.....	72,699.72
15% of Net Revenue.....	15,843.67
	\$238,543.39
Maryland State Fair, Incorporated, Laurel, Md.:	
25 days racing at \$6,000.00 per day.....	\$150,000.00
1% Tax on money wagered.....	69,050.77
15% of Net Revenue.....	19,776.12
	238,826.89
Maryland Jockey Club of Baltimore City, Pimlico, Md.:	
25 days racing at \$6,000.00 per day.....	\$150,000.00
12 days racing at \$3,000.00 per day a/c of Baltimore County (Spring 1938).....	36,000.00
1% Tax on money wagered.....	95,191.23
15% of Net Revenue.....	870.99
	282,062.22
Southern Maryland Agricultural Assoc., Bowie, Md.:	
21 days racing at \$6,000.00 per day.....	\$126,000.00
1% Tax on money wagered.....	55,283.62
15% of Net Revenue.....	7,319.65
	188,603.27
TOTAL RECEIPTS FROM LICENSEES.....	\$948,035.77

MISCELLANEOUS—

Licence fees, Jockeys and Trainers.....	\$ 1,788.00
Registration Fees:	
Agents	\$ 96.00
Jockey Agents	57.00
Colors	280.00
Assumed Names	100.00
	\$ 533.00

TOTAL MISCELLANEOUS RECEIPTS..... 2,321.00

TOTAL RECEIPTS FROM LICENSEES AND MISCELLANEOUS..... 950,356.77

TOTAL OF ALL RECEIPTS..... \$970,584.32

MARYLAND RACING COMMISSION

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STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 1938

DISBURSEMENTS

COUNTY FAIRS—

Harford County Fair Association, Inc., Bel Air, Md.:

To State Comptroller:		
1% Tax on wagering.....	\$ 4,486.88	
To Treasurer of Harford County:		
10 days license fees at \$50.00 per day.....	500.00	\$ 4,986.88

Cumberland Fair Association, Cumberland, Md.:

To State Comptroller:		
1% Tax on wagering.....	\$ 2,891.83	
To Treasurer of Allegany County:		
10 days license fees at \$50.00 per day.....	500.00	3,391.83

Southern Maryland Agricultural Fair Assoc., Marlboro, Md.:

To State Comptroller:		
1% Tax on wagering.....	\$ 2,763.04	
5% of Net Revenue.....	1,890.04	
Unexpended balance of \$5,000.00 allowed for premiums....	1,442.50	
To Treasurer of Prince George's County:		
10 days license fees at \$50.00 per day.....	500.00	6,595.58

Maryland State Fair and Agricultural Society of Baltimore County,
Timonium, Maryland:

To State Comptroller:		
1% Tax on wagering.....	\$ 3,709.78	
To Treasurer of Baltimore County:		
10 days license fees at \$50.00 per day.....	500.00	4,209.78

Agricultural & Mechanical Association of Washington County,
Hagerstown, Maryland:

To State Comptroller:		
1% Tax on wagering.....	\$ 543.48	
To Treasurer of Washington County:		
10 days license fees at \$50.00 per day.....	500.00	1,043.48

TOTAL DISBURSEMENTS FOR COUNTY FAIRS.....\$ 20,227.55

OFFICE EXPENSES—

Salaries:

Commission	\$ 10,000.00	
Office	5,800.00	\$ 15,800.00
Premiums on Bonds (Commission and Office).....		1,560.00
Employees Salaries and Expenses for County Fairs.....		150.00
Automobile Hire		1,092.50
Travel and Miscellaneous Expense.....		620.15
Miscellaneous		295.27
Stationery, Printing and Postage.....		388.52
Subscriptions and Dues.....		311.29
Rent		1,508.64
Telephone and Telegraph.....		283.60
Saliva Tests		262.39
Clerical Service—Farm Board.....		540.00
Court Costs and various litigations.....		558.01

TOTAL OFFICE EXPENSES.....\$ 23,370.37

Paid to Treasurer of Baltimore County—

License fee 12 days racing at \$3,000.00 per day (Pimlico).....	\$ 36,000.00	
Paid to Treasurer of State, December 29, 1938.....	890,986.40	950,356.77

TOTAL OF ALL DISBURSEMENTS.....\$970,584.32

56.77

84.32

HARFORD AGRICULTURAL AND BREEDERS' ASSOCIATION, INCORPORATED

Statement of Income and Surplus for the Year Ended October 31, 1938

REVENUE

Admissions:		
General.....	\$181,693.50	
Club House	12,160.00	
Boxes.	2,225.50	
Pari-mutuel commissions and breakage.....	630,916.40	
Programs—net.	10,196.80	
Concessions.	14,250.00	
Interest on obligations of the United States of America	4,178.06	
Rent.	120.00	
Leads to post.....	60.00	
Total.....		\$855,800.26

*EXPENSES

State license—25 days at \$6,000.00 each.....	\$150,000.00
State tax on pari-mutuel sales.....	72,699.72
State tax on admissions.....	1,816.98
Stakes and purses	240,200.00
Awards to breeders.....	7,250.00
Pari-mutuel expenses:	
Salaries and wages.....	76,871.50
Stationery and printing.....	13,546.94
Transportation of money.....	1,560.00
Cash shortages—net	706.18
Miscellaneous.	1,115.00
Salaries and wages of racing officials and em- ployees.	31,202.00
Wages of temporary track employees.....	15,104.48
Services of detective agency.....	14,649.25
Ambulance and hospital service.....	500.00
Rental of starting stalls.....	750.00
Photo-finish expense	2,645.00
Music and announcing.....	1,475.00
Advertising and publicity service.....	13,112.48

Officers' salaries, directors' compensation, and
legal retainer fee:

M. H. Fahey:

Salary as president.....	\$2,400.00	
Compensation as director	800.00	
		\$3,200.00

Carried forward.....	\$3,200.00	\$645,204.53	\$855,800.26
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MARYLAND RACING COMMISSION

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Revenue—(forward) \$855,800.26

Expenses—(forward) \$3,200.00 \$645,204.53

Edward Burke:

Salary as vice-president
and treasurer\$15,000.00
Compensation as director 800.00
15,800.00

Richard Reid Rogers:

Salary as secretary..... \$1,600.00
Compensation as director 800.00
2,400.00

E. F. Simms:

Compensation as director..... 800.00

S. J. Burke:

Compensation as director..... 800.00

Robert H. Archer:

Legal retainer fee..... 2,000.00

Total..... 25,000.00

Salaries and wages of regular track employees.. 10,300.00
Salary of clerk—New York City..... 450.00
Repairs and maintenance..... 13,071.71
Tools and supplies..... 1,846.32
Team and truck hire..... 1,437.00
Heat, light, and water..... 1,816.31
Taxes—real estate, franchise, personal property,
Federal capital stock, etc..... 8,699.89
Insurance premiums 12,322.49
Rent. 150.00
Stationery, printing and postage..... 3,957.76
Telephone and telegraph..... 699.60
Professional services 1,876.69

Donations:

American Red Cross..... \$ 100.00
Community Fund of Baltimore..... 2,000.00
Cumberland Fair Association..... 750.00
Havre de Grace Hospital..... 500.00
Maryland Horse Breeders' Associa-
tion 440.00
Maryland State Fair Board..... 1,760.00
Susquehanna Hose Company, Inc... 100.00

Total..... 5,650.00

Provision for doubtful accounts receivable..... 149.55
Federal old age benefits tax..... 1,081.56
Unemployment compensation taxes..... 3,962.63
Miscellaneous. 3,223.99

Total..... 740,900.03

*Net Income for the Year..... \$114,900.23

***Net Income for the Year—(forward)..... \$114,900.23**

SURPLUS CREDITS

Pari-mutuel tickets outstanding applicable to meetings of the fiscal year 1935, credited to surplus.....	\$3,204.55	
Adjustment of provision for depreciation for the calendar years 1934, 1935, and 1936, to agree with amounts allowed as deductions for those years in Federal income tax returns..	21,265.61	
Gain on exchange of motor vehicle.....	153.00	
Total.....		24,623.16
*Gross Surplus for the Year.....		\$139,523.39

SURPLUS CHARGES (exclusive of dividends)

Loss on realization of deposit in reorganized bank.....	\$7,672.50	
Taxes on income for the preceding calendar year:		
Federal.....	23,708.69	
State of Maryland.....	680.72	
State of Maryland license fee or tax of 15% of net taxable revenue for the preceding year ended October 31.....	25,250.42	
Provision for depreciation for the preceding calendar year as determined by the Association.....	15,113.85	
Total.....		72,426.18
Surplus for the Year, Before Dividends.....		\$67,097.21
Dividends Paid		120,000.00
Deficit for the Year.....		\$52,902.79

NOTES:

*Exclusive of or before provision for depreciation of property, Federal income tax, and State license fee or tax of 15% of net taxable revenue.

No provision is included in the foregoing statement for depreciation of property, Federal and State taxes on income, and Federal unemployment compensation tax for the ten months ended October 31, 1938, for license fee or tax of 15% of net taxable revenue for the year ended October 31, 1938, amounting to \$15,843.67, or for Federal capital stock tax accrued for the period from July 1 to October 31, 1938.

MARYLAND RACING COMMISSION

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Statement Showing Computation of Net Revenue for the Year Ended October 31, 1938, taxable by the Maryland Racing Commission.

Deficit for the Year..... \$52,902.79

Add amounts which were credited in determining
deficit for the year, but which are not taxable
by the Commission:

Adjustment of provision for depreciation for
the years ended December 31, 1934, 1935 and
1936.

\$21,265.61

Gain on exchange of motor vehicle.....

153.00

21,418.61

Total..... \$74,321.40

Amounts which were deducted in determining
deficit for the year, but which are not
allowed by the Commission in computing net
taxable revenue:

Taxes on income for the year ended December
31, 1937:

Federal. \$23,708.69

State of Maryland..... 680.72

State of Maryland license fee or tax of 15% of
net taxable revenue for the year ended
October 31, 1937..... 25,250.42

Provision for depreciation for the year ended
December 31, 1937, as determined by the
Association. 15,113.85

Dividends paid 120,000.00

Donations. 5,650.00

190,403.68

Net Taxable Revenue Before Deducting Cost of Additions to
Property. \$116,082.28

Deduct Cost of Additions to Property During the
Year Ended October 31, 1938 (allowed by the
Commission as a deduction in computing net
taxable revenue, as permitted by law):

Extension of electric line, etc..... \$1,280.88

Construction of bleachers..... 7,276.55

Furniture and fixtures..... 377.84

Automobile station wagon, dump cart, and
mower. 1,522.56

10,457.83

Net Revenue for the Year Ended October 31, 1938, Taxable
by the Maryland Racing Commission..... \$105,624.45

License Fee or Tax of 15% of Net Taxable Revenue for the
Year Ended October 31, 1938..... \$15,843.67

ACCOUNTANTS' CERTIFICATE

MARYLAND RACING COMMISSION :

We have made an examination of the accounts of the Harford Agricultural and Breeders' Association, Incorporated, for the year ended October 31, 1938, and in our opinion the above statement sets forth the net revenue for the year ended that date which is taxable by the Maryland Racing Commission, and the tax computed thereon.

(Signed) HASKINS & SELLS.

Baltimore, November 25, 1938.

THE MARYLAND STATE FAIR, INCORPORATED

Statement of Income and Surplus for the Year Ended November 1, 1938

REVENUE

Admissions:	
General.....	\$159,264.00
Club house	21,133.00
Paddock.....	1,182.50
Boxes.....	3,300.00
Membership dues	2,120.00
Service charge in connection with complimentary badges.....	4,911.60
Pari-mutuel commissions and breakage.....	644,798.75
Programs—net.....	11,202.57
Concessions.....	15,317.00
Interest on notes receivable.....	940.41
Rent.....	180.00
Sale of manure	1,200.00
Leads to post.....	60.00
Total.....	\$865,609.83

*EXPENSES

State license—25 days at \$6,000.00 each.....	\$150,000.00
State tax on pari-mutuel sales.....	69,050.77
State tax on admissions.....	1,837.00
Stakes and purses	258,000.00
Awards to breeders.....	4,250.00
Pari-mutuel expenses:	
Salaries and wages.....	55,838.00
Stationery and printing.....	10,528.46
Insurance on money.....	645.90
Cash shortage—net	352.30
Miscellaneous.....	1,027.64
Salaries and wages of racing officials and em- ployees.....	34,891.75
Services of detective agencies.....	5,598.20
Ambulance service	175.00
Rent of starting stalls.....	750.00
Photo-finish expense	2,500.00
Wages of track employees.....	17,215.50
Advertising and publicity service.....	8,953.00
Officers' salaries and directors' compensation:	
M. J. Winn, vice-president and director.....	\$5,000.00
F. J. Brady, secretary-treasurer and director.....	10,000.00
James Butler, director.....	5,000.00
W. M. Butler, director.....	5,000.00
Rigan McKinney, director	5,000.00
Total.....	30,000.00
Carried forward.....	\$651,613.52
	\$865,609.83

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Revenue—(forward)		\$865,609.83
Expenses—(forward)	\$651,613.52	
Payments to widow of former officer.....	3,927.42	
Office salaries	4,832.00	
Repairs and maintenance of property.....	9,177.41	
Automobile and tractor expense.....	638.09	
Water, heat and light.....	1,617.93	
Taxes—real estate, franchise, personal property		
Federal capital stock, etc.....	18,631.52	
Insurance premiums—net	10,584.37	
Office rent—New York City.....	845.33	
Stationery, printing and postage.....	2,498.20	
Telephone and telegraph—net.....	667.74	
Professional services	2,109.43	
Donations:		
Cumberland Fair Association.....	\$750.00	
Community Fund of Baltimore.....	1,000.00	
The Howard County Public Health		
Association.	250.00	
Maryland State Fair Board.....	4,000.00	
Maryland Horse Breeders' Association	1,000.00	
St. Mary's Roman Catholic Church.	2,000.00	
Total.....	9,000.00	
Provision for doubtful accounts receivable from		
horsemen.	95.00	
Expenses of State police.....	66.93	
Interest on loan.....	138.89	
Federal old age benefits tax.....	1,081.16	
Unemployment compensation taxes.....	4,119.56	
Loss on exchange of equipment.....	157.00	
Miscellaneous.	2,140.80	
Total.....	723,942.30	
*Net Income for the Year.....	\$141,667.53	

SURPLUS CREDIT

Pari-mutuel tickets outstanding applicable to the meeting of		
the year 1935, credited to surplus.....	3,052.65	
*Gross Surplus for the Year.....	\$144,720.18	

SURPLUS CHARGES (exclusive of dividends)

License fee or tax of 15% of net taxable revenue		
for the preceding year ended November 1....	\$12,019.22	
Taxes on income for the preceding calendar year:		
Federal.	17,451.84	
State of Maryland.....	453.72	
Additional Federal tax on income for the calen-		
dar year 1936, and interest thereon.....	669.27	
Provision for depreciation for the preceding		
calendar year, as determined by the Company	20,088.96	
Total.....	50,683.01	
Surplus for the Year, Before Dividends.....	\$94,037.17	
Dividend Paid, December 22, 1937.....	50,000.00	
Surplus for the Year.....	\$44,037.17	

MARYLAND RACING COMMISSION

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NOTES:

*Exclusive of or before provision for depreciation of property, Federal and State income taxes, and State license fee or tax of 15% of net taxable revenue.

No provision is included in the foregoing statement for depreciation of property, Federal and State taxes on income, and Federal unemployment compensation tax for the period from January 1 to November 1, 1938, for State unemployment compensation tax for the period from October 1 to November 1, 1938, for license fee or tax of 15% of net taxable revenue for the year ended November 1, 1938, amounting to \$19,776.12, or for Federal capital stock tax accrued for the period from July 1 to November 1, 1938.

**Statement Showing Computation of Net Revenue for the Year Ended
November 1, 1938, Taxable by the Maryland Racing Commission**

Surplus for the Year.....		\$44,037.17
Amounts which were deducted in determining surplus for the year, but which are not allowed by the Commission in computing net taxable revenue:		
Taxes on income for the year ended December 31, 1937:		
Federal.....	\$17,451.84	
State of Maryland.....	453.72	
Additional Federal tax on income for year ended December 31, 1936, and interest thereon.....	669.27	
State of Maryland license fee or tax of 15% of net taxable revenue for the year ended November 1, 1937.....	12,019.22	
Provision for depreciation for the year ended December 31, 1937, as determined by the Company.....	20,088.96	
Dividend paid, December 22, 1937.....	50,000.00	
Excess of officers' salaries and directors' compensation paid over amount allowable by the Commission.....	5,000.00	
Payments to widow of former officer.....	3,927.42	
Donations.....	9,000.00	
Loss on exchange of equipment.....	157.00	
		<u>118,767.43</u>
Net Taxable Revenue Before Deducting Cost of Additions to Property.....		\$162,804.60
Deduct Cost of Additions to Property During the Year Ended November 1, 1938 (allowed by the Commission as a deduction in computing net taxable revenue, as permitted by law):		
Construction of:		
Three new barns.....	\$21,062.99	
Staircase from judges' stand to photo-finish room.....	1,388.50	
Road.....	3,496.00	
Installation of:		
Flood lights.....	2,823.42	
Additions to heating equipment.....	899.00	
Tractor and grader.....	1,293.86	
		<u>30,963.77</u>
Net Revenue for the Year Ended November 1, 1938, Taxable by the Maryland Racing Commission.....		\$131,840.83
License Fee or Tax of 15% of Net Taxable Revenue for the Year Ended November 1, 1938.....		\$19,776.12

ACCOUNTANTS' CERTIFICATE

MARYLAND RACING COMMISSION:

We have made an examination of the accounts of The Maryland State Fair, Incorporated, for the year ended November 1, 1938, and in our opinion the above statement sets forth the net revenue for the year ended that date which is taxable by the Maryland Racing Commission, and the tax computed thereon.

Baltimore, December 29, 1938.

(Signed) **HASKINS & SELLS.**

THE MARYLAND JOCKEY CLUB OF BALTIMORE CITY

Statement of Income and Surplus for the Year Ended November 30, 1938

REVENUE

Admissions:	
General.....	\$213,714.00
Reserved seats	17,119.83
Club house	25,934.50
Boxes.....	12,320.00
Membership dues and initiation fees.....	27,065.00
Pari-mutuel commissions and breakage.....	837,865.30
Programs—net.....	14,666.50
Concessions.....	17,500.00
Broadcasting privileges	17,800.00
Rent:	
Real estate	5,735.82
Equipmeunt.....	1,000.00
Miscellaneous.....	2,165.90
Total.....	\$1,192,886.85

*EXPENSES

State license—25 days at \$6,000.00 each.....	\$150,000.00
Baltimore County license—at \$3,000.00 per day, (See Note B).....	36,000.00
State tax on pari-mutuel sales.....	95,191.23
State tax on admissions.....	2,465.14
Stakes and purses	356,125.00
Awards to breeders.....	4,500.00
Trophies.....	2,697.40
Pari-mutuel expenses:	
Salaries and wages.....	73,579.98
Stationery and printing.....	4,270.90
Transportation of money.....	1,030.00
Cash shortage—net	113.33
Odds and result board operating expense.....	7,500.00
Rent of totalisator.....	30,000.00
Salaries and wages of racing officials and em- ployees.....	59,587.01
Services of detective agencies.....	7,415.91
Ambulance service	375.00
Rental of starting stalls.....	1,000.00
Photo-finish expense	2,625.00
Music.....	278.00
Advertising and publicity service.....	20,433.09
Officers' salaries, directors' compensation, and legal retainer fees:	
C. E. McLane:	
Salary as president.....	\$5,000.00
Compensation as director	60.00
	\$5,060.00
Alfred G. Vanderbilt:	
Salary as vice-president.....	\$2,500.00
Compensation as director	40.00
	2,540.00
Carried forward.....	\$7,600.00
	\$855,186.99
	\$1,192,886.85

NINETEENTH ANNUAL REPORT OF THE

Revenue—(forward)		\$1,192,886.85
Expenses—(forward)	\$7,600.00	\$855,186.99
M. L. Daiger:		
Salary as secretary and general manager	\$10,000.00	
Compensation as director	60.00	
		10,060.00
H. A. Parr, III:		
Salary as treasurer	\$4,000.00	
Compensation as director	50.00	
		4,050.00
H. S. Thompson—Salary as assistant treasurer.		2,400.00
Compensation as director:		
Frank J. Bryan	20.00	
D. Sterrett Gittings	60.00	
Chester F. Hockley	60.00	
S. S. Janney	60.00	
W. W. Lanahan	40.00	
J. W. Y. Martin	10.00	
Ral Parr	50.00	
C. B. Reeves	10.00	
Erle D. Walden	40.00	
Walter Wickes	40.00	
David F. Woods	50.00	
Ritchie, Janney, Ober and Williams— legal retainer fees		3,000.00
Total		27,550.00
Office salaries		4,361.00
Rent of track property, including amortization of cost of renewing lease		28,100.00
Provision for amortization of improvements to leased property and depreciation of equip- ment, as determined by the Company		45,103.86
Wages of regular track employees		18,773.34
Repairs and maintenance of property		73,890.16
Tools and supplies		1,903.87
Auto and truck hire		2,061.75
Water, heat, and light		2,918.92
Taxes—real estate, personal property, franchise, Federal capital stock, etc.		25,904.00
Insurance premiums		24,848.03
Stationery and printing		7,337.30
Telephone and telegraph		2,075.63
Legal and professional accounting expenses		3,639.51
Loss on disposal of horses		125.00
Interest on loans		652.39
Donations:		
Associated Jewish Charities of Balto.	\$250.00	
Community Fund of Baltimore	1,000.00	
Cumberland Fair Association	750.00	
Maryland Horse Breeders' Associa- tion.	520.00	
Maryland State Fair Board	2,080.00	
Total		4,600.00
Federal old age benefits tax		856.54
Unemployment insurance taxes		4,260.21
Carried forward	\$1,134,148.50	\$1,192,886.85

MARYLAND RACING COMMISSION

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Revenue—(forward)	\$1,192,886.85
Expenses—(forward)	\$1,134,148.50
Uncollectible accounts receivable written off....	225.00
Miscellaneous.	5,900.47
Total.....	1,140,273.97
*Net Income for the Year.....	\$52,612.88

SURPLUS CREDITS

Pari-mutuel tickets outstanding applicable to meetings of the year 1935, credited to surplus	\$4,965.40
Outstanding checks restored to cash balance....	170.00
Total.....	5,135.40
*Gross Surplus for the Year.....	\$57,748.28

SURPLUS CHARGES (exclusive of dividends)

State of Maryland license fee or tax of 15% of net taxable revenue for the preceding year ended November 30.....	\$15,105.11
Taxes on income for the preceding year ended November 30:	
Federal.	17,939.21
State of Maryland.....	505.75
Total.....	33,550.07
Surplus for the Year, Before Dividends.....	\$24,198.21
Dividends Paid	
Surplus for the Year.....	\$24,198.21

NOTES:

*Exclusive of or before provision for Federal and State taxes on income and State license fee or tax of 15% of net taxable revenue.

(A) The foregoing statement does not include:

Provision for depreciation of buildings and miscellaneous property, except depreciation of one tractor purchased in 1937 and one sprinkler purchased in 1938.

License fee or tax of 15% of net taxable revenue for the year ended November 30, 1938, amounting to \$870.99.

Provision for Federal and State taxes on income for the year ended November 30, 1938.

Federal unemployment insurance tax for the period from January 1 to November 30, 1938.

State unemployment insurance tax and Federal old age benefits tax for the period from October 1 to November 30, 1938.

Provision for Federal capital stock tax accrued for the period from July 1 to November 30, 1938.

Portion of loss applicable to the investment in capital stock of Maryland State Fair and Agricultural Society of Baltimore County, Md., an affiliated company. Based on statements submitted by the affiliated company (but not verified by Messrs. Haskins & Sells) the company's portion of such loss amounts to approximately \$800.00 and \$6,500.00 for the years ended November 30, 1938 and 1937, respectively.

Provision for any possible liability which might ultimately be sustained by the company as defendant in a suit instituted by an individual, in the amount of \$100,000.00, for alleged damages in ejection from the company's premises.

(B) The amount of Baltimore County license included in the foregoing statement with respect to the year ended November, 1938, applies only to the meeting (12 days) held in the spring of that year. No provision has been made for similar license fee with respect to the meeting (13 days) held in November, 1938, in view of a decision rendered by the Circuit Court of Baltimore City, in September, 1938, which held this form of license fee to be unconstitutional. An appeal, however, has been taken to this decision and is now pending before the Maryland Court of Appeals.

**Statement Showing Computation of Net Revenue for the Year Ended
November 30, 1938, taxable by the Maryland Racing Commission**

Surplus for the Year.....		\$24,198.21
Add amounts which were deducted in determining surplus for the year, but which are not allowed by the Commission in computing net taxable revenue:		
Taxes on income for the year ended November 30, 1937:		
Federal.....	\$17,939.21	
State of Maryland.....	505.75	
Provision for amortization of improvements to leased property and depreciation of equipment, as determined by the Company.....	45,103.86	
State of Maryland license fee or tax of 15% of net taxable revenue for the year ended November 30, 1937.....	15,105.11	
Donations.....	4,600.00	
Loss on disposal of horse.....	125.00	
Excess of officers' salaries, directors' compensation, and legal retainer fees paid over amount allowable by the Commission.....	2,550.00	
		<u>85,928.93</u>
Net Taxable Revenue Before Deducting Cost of Improvements and Additions to Property.....		\$110,127.14
Deduct Cost of Improvements and Additions to Property During the Year Ended November 30, 1938 (allowed by the Commission as a deduction in computing net taxable revenue, as permitted by law):		
Land.....	\$11,200.60	
Construction of new barn.....	19,894.00	
Construction of new macadam road.....	2,200.00	
Construction of press box, and new stairway at small club house.....	3,694.00	
Flood lighting equipment for stables.....	2,319.55	
Leveling infield and improvements to steeplechase course.....	57,361.81	
Two harrows.....	302.00	
Two mowing machines.....	376.45	
Electric reducing cabinets.....	619.22	
Rake.....	122.40	
Spreader.....	142.00	
Air brush and spraying equipment.....	322.46	
Two horses.....	425.00	
Truck chassis and sprinkler unit.....	4,395.00	
Tractor.....	646.00	
Miscellaneous equipment.....	300.04	
		<u>104,320.53</u>
Net Revenue for the Year Ended November 30, 1938, Taxable by the Maryland Racing Commission.....		\$5,806.61
License Fee or Tax of 15% of Net Taxable Revenue for the Year Ended November 30, 1938.....		\$870.99

ACCOUNTANTS' CERTIFICATE

MARYLAND RACING COMMISSION :

We have made an examination of the accounts of The Maryland Jockey Club of Baltimore City for the year ended November 30, 1938, and in our opinion the above statement sets forth the net revenue for the year ended that date which is taxable by the Maryland Racing Commission, and the tax computed thereon.

(Signed) HASKINS & SELLS.

Baltimore, December 23, 1938.

**THE SOUTHERN MARYLAND AGRICULTURAL ASSO-
CIATION OF PRINCE GEORGE'S COUNTY,
MARYLAND**

Statement of Income and Surplus for the Year Ended December 6, 1938

REVENUE

Admissions:	
General.	\$103,536.00
Club house	10,683.00
Paddock.	933.50
Boxes.	4,560.78
Service charges in connection with compli- mentary badges	11,388.65
Pari-mutuel commissions and breakage.	482,986.05
Programs—net.	9,191.95
Concessions.	13,695.75
Income on investments.	245.69
Miscellaneous.	520.00
Total.	\$637,741.37

***EXPENSES**

State license—\$6,000.00 per day.	\$126,000.00		
State tax on pari-mutuel sales.	55,283.62		
State tax on admissions.	1,081.25		
Stakes and purses.	169,800.00		
Awards to breeders.	4,500.00		
Pari-mutuel expenses:			
Salaries and wages.	57,649.80		
Stationery and printing.	12,726.09		
Insurance on money.	1,260.00		
Miscellaneous.	894.14		
Salaries and wages of racing officials and em- ployees.	42,177.51		
Detective services	2,532.00		
Ambulance service	210.00		
Royalty for use of starting stalls.	617.30		
Rental and operation of odds and result board..	2,100.00		
Photo-finish expense	2,131.70		
Music and announcing.	724.50		
Advertising and publicity service.	3,911.15		
Officers' salaries, directors' compensation, and legal retainer fee:			
M. H. Magruder, president:			
Salary and counsel fee..	\$9,000.00		
Compensation as director	500.00		
	<u>\$9,500.00</u>		
Carried forward	\$9,500.00	\$483,599.06	\$637,741.37

NINETEENTH ANNUAL REPORT OF THE

Revenue—(forward)		\$637,741.37
Expenses—(forward)	\$9,500.00	\$483,599.06
Wm. G. Brooke, secretary:		
Salary.	\$2,500.00	
Compensation as director	500.00	
		3,000.00
Joseph B. Boyle, general manager—		
Salary.		7,416.61
A. S. Jump, treasurer and assistant		
manager—salary.		4,500.00
Compensation as director:		
James A. Bean.....	500.00	
James B. Berry.....	500.00	
Frank M. Hall.....	500.00	
Guy W. Latimer.....	500.00	
Thomas N. Magruder.....	500.00	
Oliver S. Metzertott.....	500.00	
Ellis O. Middleton.....	500.00	
R. Lee Mullikin.....	500.00	
Harry Nalley	500.00	
Claude H. Owen.....	250.00	
George N. Palmer.....	500.00	
Total.....		29,666.61
Office salaries		1,330.00
Wages paid to regular track employees.....		12,961.89
Repairs and maintenance.....		25,597.01
Light, heat, etc.		1,400.23
Taxes—real estate, personal property, franchise,		
Federal capital stock, etc.....		10,668.14
Insurance premiums		8,058.79
Rent of offices.....		1,590.00
Stationery and printing.....		3,858.93
Telephone and telegraph.....		738.92
Professional services		926.95
Uncollectible accounts receivable written off....		75.50
Interest on loans.....		65.97
Donations:		
Maryland State Fair Board.....	\$1,440.00	
Community Fund of Baltimore.....	1,000.00	
Cumberland Fair Association.....	750.00	
Maryland Horse Breeders' Associa-		
tion.	360.00	
Bowie Volunteer Fire Department..	100.00	
Glendale Volunteer Fire Department	100.00	
Sundry small donations.....	180.50	
Totals.....		3,930.50
Federal old age benefits tax.....		946.41
Unemployment compensation taxes.....		3,647.54
Miscellaneous.		4,421.11
Total.....		593,483.56
*Net Income for the Year.....		\$44,257.81

MARYLAND RACING COMMISSION

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*Net Income for the Year—(forward) \$44,257.81

SURPLUS CREDITS

Pari-mutuel tickets outstanding applicable to meetings of the year 1935, credited to surplus	\$4,362.95	
Old outstanding checks returned to cash.....	156.00	
Adjustment of provision for depreciation applicable to prior years.....	15,260.00	
Total.....		19,778.95

*Gross Surplus for the Year..... \$64,036.76

SURPLUS CHARGES (exclusive of dividends)

State of Maryland license fee or tax of 15% of net taxable revenue for the preceding year ended December 6.....	\$24,815.08	
Provision for depreciation for the preceding calendar year (as determined by the Association).....	17,598.33	
Taxes on income for the preceding calendar year:		
Federal.	20,158.12	
State of Maryland.....	643.01	
Total.....		63,214.54

Surplus for the Year, Before Dividends \$ 822.22

Dividends Paid 95,882.00

Deficit for the Year..... \$95,059.78

NOTES :

*Exclusive of or before provision for depreciation, Federal and State taxes on income, and State license fee or tax of 15% of net taxable revenue.

The race meetings in the year ended December 6, 1938, were for 21 days as compared with 25 days in the preceding year.

No provision is included in the foregoing statement for depreciation of property, Federal and State taxes on income, and Federal unemployment compensation tax for the period from January 1 to December 6, 1938, for State unemployment compensation tax for the period from October 1 to December 6, 1938, for license fee or tax of 15% of net taxable revenue for the year ended December 6, 1938 amounting to \$7,319.65, or for Federal capital stock tax accrued for the period from July 1 to December 6, 1938.

**Statement Showing Computation of Net Revenue for the Year Ended
December 6, 1938, Taxable by the Maryland Racing Commission**

Deficit for the Year..... \$95,059.78

Add amount which was credited in determining deficit for the year, but which is not taxable by the Commission—Adjustment of provision for depreciation applicable to prior years. 15,260.00

Total..... \$110,319.78

Amounts which were deducted in determining deficit for the year, but which are not allowed by the Commission in computing net taxable revenue:

Taxes on income for the year ended December 31, 1937:

Federal	\$20,158.12	
State of Maryland.....	643.01	
State of Maryland license fee or tax of 15% of net taxable revenue for the year ended December 6, 1937.....	24,815.08	
Provision for depreciation for the year ended December 31, 1937, as determined by the Association.	17,598.33	
Dividends paid	95,882.00	
Donations.....	3,930.50	
Excess of officers' salaries, directors' compensation, and legal retainer fee paid over amount allowable by the Commission.....	4,666.61	
Salaries paid to two special inspectors appointed by the Association.....	2,500.00	
		170,193.65

Net Taxable Revenue Before Deducting Cost of Additions to Property..... \$59,873.87

Deduct Cost of Additions to Property During the Year Ended December 6, 1938 (allowed by the Commission as a deduction in computing net taxable revenue, as permitted by law):

Automobile truck and body.....	\$1,152.26
Gates and posts.....	301.00
Extension of electric line, etc.....	1,190.37
Filtration plant and water system.....	4,000.00
Judges' and stewards' stand.....	1,237.72
Air compressor and gasoline engine.....	150.00
Furniture and fixtures.....	3,397.14

Total additions.....	\$11,428.49
Less allowance on truck traded in.....	352.26

11,076.23

Net Revenue for the Year Ended December 6, 1938, Taxable by the Maryland Racing Commission..... \$48,797.64

License Fee or Tax of 15% of Net Taxable Revenue for the Year Ended December 6, 1938..... \$7,319.65

MARYLAND RACING COMMISSION

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ACCOUNTANTS' CERTIFICATE

MARYLAND RACING COMMISSION:

We have made an examination of the accounts of the Southern Maryland Agricultural Association of Prince George's County, Maryland, for the year ended December 6, 1938, and in our opinion the above statement sets forth the net revenue for the year ended that date which is taxable by the Maryland Racing Commission, and the tax computed thereon.

(Signed) HASKINS & SELLS.

Baltimore, December 23, 1938.

THE MARYLAND STATE FAIR BOARD

RECEIPTS AND EXPENDITURES

For the Year Ended December 31, 1938

RECEIPTS

Balance on hand, December 31, 1937.....	\$4,959.20
State appropriation for 1938.....	10,000.00

From the Five (5) Half-mile Tracks, 1938:

Agricultural and Mechanical Association of Washington County, (Hagerstown).....	\$543.48
Harford County Fair Association, (Bel Air)	4,486.88
Cumberland Fair Association, (Cumberland).....	2,891.83
Southern Maryland Agricultural Fair Association, (Marlboro)	6,095.58
Maryland State Fair and Agricultural Society of Baltimore Co., (Timonium).....	3,709.78

Total Receipts from the Five (5) Half-mile Tracks	17,727.55
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Total Receipts from State and Five (5) Half-mile Tracks....	\$32,686.75
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EXPENDITURES

Maryland Agricultural Society	\$5,400.00
Charles County Fair.....	1,200.00
Carroll County Fair.....	1,200.00
Frederick County Fair.....	3,500.00
Baltimore Livestock Show.....	2,800.00
Calvert County Fair.....	400.00
Maryland State Fair.....	13,600.00
Maryland Outdoor Life Show.....	1,629.12

Total Expenditures of Eight (8) Fairs	\$29,729.12
Expenditures of Field Representative (Authorized March 14, 1938).....	2,957.35
Central Purchasing Bureau (payroll forms for Field Representative)	.28

Total Authorized Expenditure.....	\$32,686.75
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MARYLAND RACING COMMISSION

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SPECIAL MILE TRACT FUND

RECEIPTS

From Four (4) Mile Tracks, 1938:

Harford Agricultural and Breeders' Association, (Havre de Grace) ..	\$1,760.00
Maryland State Fair, Inc., (Laurel) ..	4,000.00
Maryland Jockey Club of Baltimore City, (Pimlico)	2,080.00
Southern Maryland Agricultural Association, (Bowie)	1,440.00

Total Receipts from Four (4) Mile Tracks..... \$9,280.00

EXPENDITURES

State-wide Pulling Contest at Hagers-town	\$500.00
Maryland Outdoor Life Show	370.88
Sending 4-H Club delegates to World's Poultry Congress	200.00

Total Expenditures 1,070.88

Balance on Hand of Special Mile Track Fund as of
December 31, 1938.....

\$8,209.12

AGRICULTURAL AND MECHANICAL ASSOCIATION OF WASHINGTON COUNTY

Statement of Receipts and Disbursements for the Year Ended November 30, 1938

REVENUE

Admissions.	\$19,165.50
Pari-mutuel commissions and breakage.	59,488.55
Concessions.	6,170.00
Programs.	1,635.99
Entry fees	1,327.79
Rentals.	1,137.77
Miscellaneous.	766.76
Total.	\$89,692.36

EXPENSES

County license—10 days at \$50.00 per day.	\$500.00
State tax of 1% on all money bet in excess of \$500,000.00.	543.48
Running race purses.	28,700.00
Trotting race purses.	2,192.66
Admission tax—State of Maryland.	929.92
Admission tax—Federal Government	184.50
Real estate taxes.	545.90
Pari-mutuel salaries	6,065.00
Salaries and wages of racing officials and em- ployees.	7,997.01
Services of detective agency.	752.50
Rental of starting stalls.	293.00
Advertising and publicity service.	1,918.01
Officers' salaries and directors' fees:	
Harold F. Bester, vice-president.	\$16.00
T. A. Brown, treasurer.	500.00
Chas. H. Rinehart, corresponding secretary.	200.00
Chas. W. Wolf, recording secretary.	300.00
Total.	1,016.00
Repairs and improvements.	15,150.68
Insurance premiums	2,222.77
Pari-mutuel tickets outstanding over three years Premiums((Itemized list submitted).	5,845.07
Printing of pari-mutuel tickets.	1,348.63
Starter's services and stall gate operation.	1,050.00
Rental Photo-finish camera and attendant.	820.00
Interest.	705.00
Caretakers salary	300.00
Maryland Racing Commission 5% Net Profits Year Ended November 30, 1937.	223.07
Social Security taxes.	329.14
Free attractions at fair.	3,586.66

Expenses of departments at fair
(exclusive of premiums):

Sheep, horses and cattle.....	\$2,200.26	
Household.	95.65	
Exhibition hall	1,186.72	
Poultry.	331.32	
Horse show	37.05	
Dog show	191.21	
Total.....	4,042.21	
Stationery, programs, tickets, forms, office supplies, and postage.....	2,031.76	
Miscellaneous (supporting statement submitted)	5,803.57	
Total.....		95,096.54
Deficit for the Year 1938.....		<u><u>\$5,404.18</u></u>

The above statement sets forth a true and accurate report of receipts and disbursements of the Agricultural and Mechanical Association of Washington County for the fiscal year ended November 30, 1938.

(Signed) T. A. BROWN, *Treasurer*.

Subscribed and sworn to before me this 10th day of December, 1938.

(Signed) I. WINIFRED ROWE, *Notary Public*.

HARFORD COUNTY FAIR ASSOCIATION, INCORPORATED

Statement of Income and Disbursements for the Year Ended December 9, 1938

REVENUE

Admissions and boxes.....	\$18,628.95
Club membership dues.....	375.00
Pari-mutuel commissions and breakage.....	102,721.35
Programs.....	2,872.65
Concessions.....	3,359.26
Miscellaneous.....	1,641.41
Total.....	<u>\$129,598.62</u>

EXPENSES

County license—10 days at \$50.00 per day.....	\$500.00
State tax of 1% on all money bet in excess of \$500,000.00.....	4,486.88
Purses.....	34,250.00
Pari-mutuel salaries.....	10,506.00
Salaries and wages of racing officials and em- ployees.....	6,306.00
Rental of starting stalls and odds board.....	765.47
Advertising and publicity service.....	1,828.45
Officers' salaries and directors' fees:	
G. R. Bryson, vice-president and managing director.....	\$2,500.00
Thos. Roy Brookes, president.....	1,000.00
A. G. Ensor, treasurer.....	1,000.00
Gladden Davis, secretary.....	1,000.00
Benjamin W. Amos, director.....	250.00
C. C. Spencer, director.....	250.00
Clarence Streett, director.....	250.00
A. H. Wilson, director.....	250.00
Ray C. Norman, director.....	250.00
Carl Sturm, director.....	250.00
Total.....	7,000.00
Professional, legal and accounting services.....	1,213.62
Repairs and improvements.....	46,253.18
State and County property taxes.....	559.77
Insurance premiums.....	1,092.85
Premiums (supporting statement submitted)....	6,958.00
Miscellaneous (supporting statement submitted)	26,794.10
Total.....	<u>148,514.32</u>
Deficit for the Year, 1938.....	<u><u>\$18,915.70</u></u>

The foregoing statement is made on the basis of cash receipts and cash disbursement, during the year begun December 10, 1937, and ended December 9, 1938, except in the case of Officers' salaries and Directors' fees, the whole amount of which has been established in the Association's ledger, but only part of which has actually been paid. The expenses listed in the foregoing statement do not include depreciation, Federal Income Tax, State Income Tax, Federal Unemployment Tax, donations and interest paid on indebtedness.

THE HARFORD COUNTY FAIR ASSOCIATION, INC.,

(Signed) By GLADDEN DAVIS, *Secretary*.

STATE OF MARYLAND, HARFORD COUNTY, SS:

I HEREBY CERTIFY that on this 13th day of December, 1938, before me, the undersigned, a Notary Public of the State of Maryland, in and for Harford County duly commissioned and qualified, personally appeared Gladden Davis, and made oath in due form of law that the foregoing statement, with its supporting schedules, is true and correct to the best of his knowledge and belief.

WITNESS my hand and Notarial Seal the day and year last above-written.

(Signed) H. ELIZABETH ESLEY, *Notary Public*.

CUMBERLAND FAIR ASSOCIATION, INCORPORATED**Statement of Income and Disbursements for the Year
Ended September 30, 1938****REVENUE**

Admissions.	\$22,317.60	
Pari-mutuel commissions and breakage.	85,597.90	
Programs.	2,626.05	
Concessions.	3,312.28	
Entry fees	1,051.00	
Rentals.	102.50	
Donations.	7,000.00	
Totals.		\$122,007.33

EXPENSES

County license—10 days at \$50.00 per day.	\$500.00	
State tax of 1% on money wagered in excess of \$500,000.00.	2,891.83	
Admission tax to State.	3,857.50	
Social Security—Unemployment tax.	1,476.27	
Purses.	29,000.00	
Pari-mutuel salaries	8,205.00	
Salaries and expense of racing officials.	6,566.55	
Services of detective agencies.	5,504.41	
Advertising and publicity service.	5,160.65	
Officers' salaries and directors' fees.		
Insurance Premiums	3,476.03	
Premiums.	5,376.75	
Repairs and improvements.	12,591.64	
Free acts	5,568.14	
Photo-finish.	1,030.37	
Flood loss	2,904.25	
Interest.	8,066.21	
Tickets.	2,123.62	
Manager's salary and expense.	3,687.65	
Coupon interest—\$100,000.00 Bonds.	6,000.00	
Fair expenses—judging, etc.	1,874.34	
Programs.	950.50	
Saliva test	869.37	
Entertainment.	289.60	
Tents.	341.00	
Starting stalls, etc.	400.10	
Printing and stationery.	564.05	
Trophies.	103.00	
Miscellaneous.	3,286.71	
Total.		122,665.54
Deficit for the Year 1938.		<u>\$658.21</u>

CUMBERLAND FAIR ASSOCIATION, INC.,

(Signed) By: HARRY A. MANLEY, *President*.

Personally appeared before me this 23rd day of November, 1938, Harry A. Manley, President of the Cumberland Fair Association, Inc., and made affidavit that the annexed statement is correct and true to the best of his knowledge and belief.

(Signed) W. C. ORT, *Notary Public*.

SOUTHERN MARYLAND AGRICULTURAL FAIR ASSOCIATION

Statement of Income and Disbursements for the Year Ended
October 31, 1938

REVENUE

Admissions.	\$14,509.25
Pari-mutuel commissions and breakage.	83,925.50
Programs.	1,591.85
Concessions.	3,083.15
Miscellaneous.	2,580.38
Total.	<u>\$105,690.13</u>

EXPENSES

County license—10 days at \$50.00 per day.	\$500.00
State tax of 1% on all money bet in excess of \$500,000.00.	2,763.04
Purses.	28,800.00
Pari-mutuel salaries.	7,248.30
Salaries and wages of racing officials and em- ployees.	5,189.30
Services of detective agency.	1,417.60
Other taxes.	3,024.97
Advertising and publicity service.	1,140.47
Officers' salaries and directors' fees:	
Joseph B. Boyle.	\$1,000.00
Alton S. Jump.	1,000.00
William G. Brooke.	540.00
M. H. Magruder.	40.00
James Berry.	40.00
Frank M. Hall.	30.00
John Parran.	30.00
Hal B. Claggett.	10.00
Total.	2,690.00
Repairs and improvements.	1,397.53
Real estate tax.	551.35
Insurance premiums.	2,402.77
Premiums (itemized list submitted).	5,584.41
Miscellaneous.	5,179.62
Total.	<u>67,889.36</u>
Net Revenue for the Year 1938.	<u>\$37,800.77</u>
License Fee or Tax of 5% of Net Taxable Revenue for the Year Ended October 31, 1938.	<u>\$1,890.04</u>

STATE OF MARYLAND, CITY OF BALTIMORE, SS:

I HEREBY CERTIFY, that on this 3rd day of November, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City of Baltimore aforesaid, personally appeared Alton S. Jump, Assistant Manager of Southern Maryland Agricultural Fair Association, and made oath in due form of law that the foregoing statement is true, to the best of his knowledge, information and belief.

WITNESS my hand and Notarial Seal.

(Signed) IRMA M. BIENEMANN, Notary Public.

MARYLAND STATE FAIR AND AGRICULTURAL SOCIETY OF BALTIMORE COUNTY

Statement of Income and Disbursements for the Year
Ended November 30, 1938

REVENUE

Boxes and reserved seats.....	\$941.50
Catalogue.....	97.70
Entrance fees.....	2,303.00
Gate receipts.....	37,012.65
Miscellaneous income.....	500.15
Pari-mutuel commission.....	87,097.80
Pari-mutuel breakage.....	7,320.30
Privileges.....	7,964.68
Programs.....	2,280.85
Baltimore County Commissioners.....	2,000.00
Maryland State Fair Board.....	13,600.00

Total..... \$161,118.63

EXPENSES

County license—10 days at \$50.00 per day.....	\$500.00
State tax of 1% on all money bet in excess of \$500,000.00.....	3,709.78
Advertising.....	2,159.35
Directors' fees.....	310.00
Insurance.....	7,469.65
Interest on loan.....	290.00
Maintenance and repairs.....	33,873.77
Pari-mutuel stationery.....	1,780.10
Premiums.....	23,548.04
Racing purses.....	31,800.00
Salaries miscellaneous employees.....	5,248.67
Salaries pari-mutuel employees.....	7,428.00
Salaries racing officials and employees.....	13,534.48
Salaries department heads.....	3,200.00
Officers' salaries:	
Laban Sparks, president.....	\$1,250.00
R. J. Walden, vice-president.....	500.00
C. E. McLane, treasurer.....	1,750.00
M. L. Daiger, secretary.....	4,500.00
Total.....	8,000.00
Stationery and printing.....	1,504.47
Taxes.....	6,339.23
Telephone and telegraph.....	26.76
Tools and supplies.....	62.93
Union Trust Co. Cfts. of Beneficial Interest.....	497.58
Water and light.....	31.35
Miscellaneous expense (supporting statement submitted).....	10,919.16

Total..... 162,233.32

Deficit for the Year 1938..... \$1,114.69

MARYLAND STATE FAIR AND AGRICULTURAL SOCIETY
OF BALTIMORE COUNTY

(Signed) By: M. L. DAIGER, *Secretary*.

Sworn to and subscribed before me this 6th day of December, 1938.

(Signed) HOWARD S. THOMPSON, *Notary Public*.